

**No. 09-56675**

**Argued Feb. 15, 2011 before Judges Rymer, Bybee and Quist**

**IN THE UNITED STATES COURT OF APPEALS  
FOR THE NINTH CIRCUIT**

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**JAMES “JIM” BROWN,**

*Plaintiff and Appellant,*

v.

**ELECTRONIC ARTS, INC.,**

*Defendant and Appellee.*

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On Appeal From The United States District Court  
Central District Of California No. 2:09-CV-01598-FMC-RZ  
The Honorable Florence-Marie Cooper

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**APPELLANT’S  
SUPPLEMENTAL BRIEF**

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**MANATT, PHELPS & PHILLIPS, LLP**

Ronald S. Katz (Cal. Bar No. 85713)

Ryan S. Hilbert (Cal. Bar No. 210549)

1001 Page Mill Road, Building 2

Palo Alto, CA 94304-1006

(650) 812-1300 • Fax (650) 213-0260

**MANATT, PHELPS & PHILLIPS, LLP**

Mark S. Lee (Cal. Bar No. 94103)

Craig J. De Recat (Cal. Bar No. 105567)

Benjamin G. Shatz (Cal. Bar No. 160229)

11355 West Olympic Boulevard

Los Angeles, CA 90064-1614

(310) 312-4000 • Fax (310) 312-4224

*Attorneys for Appellant*

**JAMES “JIM” BROWN**

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## I. INTRODUCTION

The court in *No Doubt v. Activision Publishing, Inc.*, \_\_\_ Cal. App. 4th \_\_\_, 2011 WL 507479 (Cal. App. Feb. 15, 2011) worked very hard in its lengthy opinion to analyze the complex technological, intellectual property and First Amendment issues in that case, which also are before this Court.<sup>1</sup> That fact alone demonstrates that these complexities are not susceptible to disposition by a motion to dismiss. No authority cited to this Court — *ESS, Mattel, Rogers, Hilton* — has ever granted a First Amendment-based defense in the procedural posture of a motion to dismiss. *No Doubt* confirms that the summary dismissal of Brown’s action should be reversed.

Moreover, *No Doubt* is the third consecutive decision to rule, contrary to the district court below, that unauthorized use of an individual’s avatar within a videogame is not “speech” that supports summary dismissal of a complaint.

*No Doubt* further supports reversal of the district court’s dismissal because:

(1) It confirms that the *Rogers v. Grimaldi* “balancing” test the district court used should not apply to claims involving unauthorized avatar use.

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<sup>1</sup> The *No Doubt* concurrence affirmed the judgment on the separate ground that Activision contractually waived its right to a First Amendment defense by entering into a license agreement to use No Doubt’s likenesses and performances. That approach also favors Brown, because EA’s entering into license agreements with current NFL players creates an issue of fact as to whether EA contractually waived rights as to former NFL players such as Brown. (*See* AOB 5.)

(2) It confirms that the *Dr. Seuss* “likelihood of confusion” standard should apply to Brown’s Lanham Act claim, and, under that standard, Brown must be permitted to present his claims to a jury.

(3) It confirms that even if the *Rogers* test is used, this Court should reverse the judgment because there is a question of fact regarding whether the use of Brown’s avatar is explicitly misleading.

## **II. *NO DOUBT* CONFIRMS THAT ELECTRONIC ARTS’ FIRST AMENDMENT DEFENSE SHOULD NOT HAVE BEEN DECIDED ON A MOTION TO DISMISS**

*No Doubt* denied a First Amendment-based anti-SLAPP motion to dismiss right of publicity and state law unfair competition claims. *No Doubt* is the third decision rendered since the district court’s dismissal of Brown’s action that denies First Amendment-based anti-SLAPP or Rule 12(b)(6) motions to dismiss claims premised on unauthorized avatar use. *See also Hart v. Electronic Arts, Inc.*, \_\_\_ F. Supp. 2d \_\_\_, 2010 WL 3786112 (D.N.J. Sept. 22, 2010); *Keller v. Electronic Arts, Inc.*, 2010 WL 530108 (N.D. Cal. Feb. 8, 2010), *appeal pending*, No. 10-15387 (9th Cir.).

Though using slightly different approaches,<sup>2</sup> *No Doubt*, *Hart* and *Keller* all recognize that using an avatar — replicating a person’s likeness and performance in a videogame — is misconduct that can support claims like Brown’s<sup>3</sup> against a First Amendment challenge, or at least creates factual issues that cannot be resolved on a motion to dismiss. These decisions are consistent with Supreme Court authority that has been sensitive to the importance of intellectual property, and has rejected First Amendment defenses to claims involving such property. *See Zacchini v. Scripps-Howard Broad., Inc.*, 433 U.S. 562, 573 (1977) (newscast of individual’s performance not protected speech because it took “the very activity by which the entertainer acquired his reputation in the first place”); *SFAA v.*

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<sup>2</sup> *No Doubt* applied the “transformativeness” test and discussed, but declined to follow, the *Rogers* “balancing” test. 2011 WL 507479 at \*5-15. The parties in *Hart* argued that the “transformativeness” test or Restatement Second “relatedness” balancing” test should apply (*see Hart’s Opposition to Motion to Dismiss*, 2010 WL 2518082; *EA’s Reply*, 2010 WL 2518083), but the *Hart* court declined to rule on the First Amendment defense on a motion to dismiss based on “commercial speech” concerns. *See Hart*, 2010 WL 3786112 at \*10. *Keller* applied the “transformativeness” test to plaintiff’s right of publicity claim at EA’s request. *See Keller*, 2010 WL 530108 at \*3.

<sup>3</sup> Brown’s complaint alleges Lanham Act, right of publicity, and state law unfair competition claims. (2:13-ER-220, 223.) *No Doubt*, *Hart* and *Keller* discussed right of publicity and in *No Doubt* and *Hart*, state law unfair competition cases. That Brown’s case involves federal rather than state law unfair competition claims is not significant; the same legal analysis applies to Lanham Act and state law unfair competition claims. *Mattel, Inc. v. MCA Records, Inc.*, 296 F.3d 894, 902 (9th Cir. 2002); *Academy of Motion Picture Arts v. Creative House*, 944 F.2d 1446, 1457 (9th Cir. 1991).

*USOC*, 483 U.S. 522, 535-36 & n.16 (1987) (Supreme Court combines its “time, place and manner” precedent regulating use of others’ real property to engage in speech with its “commercial speech” precedent to hold that the First Amendment did not protect the unauthorized use of the statutory “Olympic” mark, even though some of the use was “political speech”).

The denial of the motions to dismiss in *No Doubt*, *Hart* and *Keller* support reversal of the dismissal here. There is no reason why Samuel Keller, Ryan Hart, or Gwen Stefani (of No Doubt) should be permitted to pursue claims for unauthorized use of their avatars in videogames while Jim Brown may not. There is no reason why a First Amendment defense that did not support summary dismissal in those cases should do so here. Whatever legal approach this Court applies, it should reverse the district court’s summary dismissal.

### **III. *NO DOUBT* CONFIRMS THAT *ROGERS* “BALANCING” SHOULD NOT APPLY TO UNAUTHORIZED USE OF AVATARS WITHIN A VIDEOGAME**

This Court has adopted four different standards to evaluate First Amendment defenses to Lanham Act claims in various factual settings. (AOB 26-45.) California has adopted a fifth “transformativeness” approach in the right of publicity and unfair competition setting (*No Doubt* at \*6), and the Supreme Court arguably adopted a sixth, “intermediate scrutiny” standard in the trademark infringement setting when it affirmed this Court’s application of the “alternative

means” test. *SFAA*, 483 U.S. at 536 & n.16; *see also Eldred v. Ashcroft*, 537 U.S. 186, 244 (2003) (Breyer, J., dissenting, characterizing *SFAA* as “applying intermediate scrutiny to a variant of normal trademark infringement”).

All of these approaches seek to reconcile the tension between speech and intellectual property by “balancing,” in the broadest sense of the word, those competing Constitutional interests. *No Doubt*, at \*7 (“the court in *Comedy III* articulated what is essentially a balancing test between the First Amendment and the right of publicity”), \*13 (“the over-arching conclusion in *Rogers* [is] that the public interest in avoiding consumer confusion must be balanced against the public interest in free expression”); *SFAA*, 483 U.S. at 536 n.16 (“both this [commercial speech] test and the test for a time, place or manner restriction ... require a balance between the governmental interest and the magnitude of the speech restriction”); *see also Doe v. TCI Cablevision*, 110 S.W.3d 363, 374 (Mo. 2003) (Missouri Supreme Court declines to follow the “transformative” or Restatement Second “relatedness” approaches in favor of “a more balanced balancing test -- a sort of predominant use test that better addresses the cases where speech is both expressive and commercial”).

*No Doubt* nevertheless held that the *Rogers* “balancing” test, with its “explicitly misleading” requirement, should not apply to unauthorized videogame avatar use because it inadequately “balances” the relevant competing interests:



Although the “explicitly misleading” requirement of the *Rogers* test makes obvious sense when the title of an artistic work is at issue, and thus conventional “speech” is involved, we question whether it should apply when the actionable wrong is the misappropriation of a celebrity’s likeness in a videogame. *No Doubt* at \*13, n.8.

*No Doubt* explained why such unauthorized avatar use is not entitled to

First Amendment protection:

The “explicitly misleading” standard [that is part of the *Rogers* balancing test] comes into play only after a determination has been made that a challenged use of the trademark is worthy of heightened First Amendment protection. [Citing, *inter alia*, *Facenda v. NFL Films, Inc.*, 542 F.3d 1007, 1015 (3d Cir. 2008).]

Here, we have already concluded that Activision’s use of No Doubt’s avatars is not “transformative” because the avatars are simply precise computer-generated reproductions of the band members that do not meld with the other elements of Band Hero to become, in essence, Activision’s own artistic expression. In the case of such a “non-transformative” use of celebrity likenesses ... it would make little sense to require No Doubt to make the almost impossible showing that Activision’s non-transformative use of the No Doubt avatars was “explicitly misleading.” *No Doubt* at \*13-14.

Thus, *No Doubt* concluded that, although Activision’s game as a whole might qualify as a work of expression, *see No Doubt* at \*4 (a position with which Brown disagrees, *see Reply Brief* 26-27), Activision’s use of avatars in its videogame was *not* entitled to First Amendment protection because Activision did not make expressive use of the avatars. *No Doubt* at \*13-14. Activision instead

created avatars that merely replicated No Doubt's performances to increase the commercial value of the game. *Id.* Such free-riding off a celebrity's goodwill may be exploitative, but as *No Doubt* recognizes, it does nothing to make the avatars the game's "own artistic expression." *Id.*

Finally, *No Doubt* distinguished *ESS* to explain why it did not support application of *Rogers* "balancing" in the unauthorized avatar setting:

Further, *ESS* did not concern the literal reproduction of a celebrity's likeness, but rather alleged trademark and trade dress infringement by a virtual depiction of a strip club that shared certain characteristics with a real strip club. *No Doubt* at \*13, n.8.

*No Doubt* thus recognized that use of a celebrity's avatar in a videogame, as opposed to use of a strip club's mark in the background of a game, is not "incidental" as that term is used in *ESS*, and that *Rogers* "balancing" therefore should not apply to unauthorized avatar use. This is so despite the large number of celebrity musician avatars used in the "Band Hero" videogame,<sup>4</sup> as well as the fact that the game permitted users to alter avatar performances so they would appear to

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<sup>4</sup> "Band Hero" features "65 Songs By 63 Artists," with many of those "artists" consisting of groups like "No Doubt" with multiple members. *See* <http://hub.guitarhero.com/games/bh/>. Players thus could choose between at least dozens, and perhaps hundreds, of celebrity avatars, to play the game. Although the numbers are large, these are not merely faces in a crowd but rather are the very celebrities who endow the game with value. There is no legal principle immunizing trademark infringement that occurs against a large group of people rather than against a small group or an individual.

play songs of the player's choosing. *No Doubt*, at \*2, 10. Such a taking is significant rather than incidental because, despite the number of avatars taken or the ability to alter them, Activision did "not transform the avatars into anything other than exact depictions of No Doubt's members doing exactly what they do as celebrities." *No Doubt* at \*10, citing *Hilton v. Hallmark Cards*, 599 F.3d 894, 911 (9th Cir. 2010). The game thus exploited "the very activity by which the entertainer acquired his reputation in the first place," conduct not protected by the First Amendment. *Zacchini*, 433 U.S. at 573; *No Doubt*, at \*10.

*No Doubt* confirms that, as Brown has asserted, *Rogers* "balancing" should not apply to the virtually identical facts present here. (AOB 29-32; Reply Brief 17-19.) Just as in *No Doubt*, here EA created an avatar of Brown intended to replicate, as realistically as possible, Jim Brown and his superlative football performances. Just as in *No Doubt*, EA here did not use Brown's avatar to make an expressive comment about Brown, but instead included him simply to increase the profitability of its videogame. Just as in *No Doubt*, EA did not take Brown's persona and performances to provide background color for a single scene, but instead did so to enable game players to control Brown's avatar and virtually "be Jim Brown." Just as in *No Doubt*, players could alter Brown's avatar, but only to have the avatar do the very thing that made Brown famous, i.e., play football. *No Doubt* recognizes that taking a celebrity's persona and performance this way

cannot be “incidental” under *ESS*, that such a taking is not entitled to First Amendment protection, and that *Rogers* “balancing” and its “explicitly misleading” component, should not apply.

#### **IV. *NO DOUBT* CONFIRMS THAT THE “LIKELIHOOD OF CONFUSION” STANDARD SHOULD APPLY**

After declining to apply *Rogers* in the videogame avatar setting, *No Doubt* stated that to prevail on its unfair competition claim, “No Doubt will still have to demonstrate that members of the public are likely to be deceived by Activision’s use of the [plaintiffs’] likenesses.” *Id.* at \*12. This echoes the “likelihood of confusion” standard this Court adopted in *Dr. Seuss Enterprises v. Penguin Books USA*, 109 F.3d 1394 (9th Cir. 1997), another case involving use of trademarks within “expressive” works. *See* AOB 41-42.

Here, numerous facts require reversal of the district court’s rule 12(b)(6) dismissal under this standard. *See* AOB 9-16, 41-42.

#### **V. REVERSAL IS REQUIRED EVEN IF *ROGERS* APPLIES**

EA’s external packaging for *Madden NFL* states that the videogame is an “Officially Licensed Product of PLAYERS INC. THE PLAYERS INC logo is a registered trademark of the NFL players.” (*See, e.g.*, backside of Exhibit F (*Madden NFL ’07*), 2:5-ER-112 attached with preceding quote outlined in red.). This is more than a mere use of Brown’s image and is in and of itself sufficient to make the use of Brown’s avatar explicitly misleading (i.e., packaging saying that

player images are licensed is saying the players endorse the game), as required by *Rogers*.

Furthermore the survey cited by Professor McCarthy (*see* AOB 18, 25, 39) — still cited in the 2010 edition of his treatise — demonstrates the need for a survey in cases like this to determine whether something is explicitly misleading. And if McCarthy’s survey is somehow dated (a point not supported by evidence), then that merely creates a question of fact as to whether a newer or different survey is needed. Indeed, even if videogames are expressive works, which Brown disputes (*see* Reply Brief 26-27), a question of fact remains whether survey participants will respond to the “explicitly misleading” question the same way in the videogame context as opposed to the context of a novel or a film. This potential difference is yet another question of fact that the district court’s order prevented Brown from exploring.

## **VI. CONCLUSION**

This Court should reverse the district court’s dismissal and allow the factual questions raised by Brown’s claims to reach a jury. Whether something is explicitly misleading is quintessentially a question of fact.

Dated: March 7, 2011

MANATT, PHELPS & PHILLIPS, LLP

By: s/Mark S. Lee  
Attorneys for Appellant  
James “Jim” Brown

**CERTIFICATE OF SERVICE**

*Brown v. Electronic Arts*, 9th Cir. No. 09-56675

**APPELLANT'S SUPPLEMENTAL BRIEF**

I hereby certify that I electronically filed the foregoing with the Clerk of the Court for the United States Court of Appeal for the Ninth Circuit by using the appellate CM/ECF system on March 7, 2011.

I certify that all participants in the case are registered CM/ECF users and that service will be accomplished by the appellate CM/ECF system.

*s/Bess Hubbard*

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